

§ 2528.50

(2) The student's veterans' education benefits, determined in accordance with section 480(c) of such Act.

§ 2528.50 What happens if an individual withdraws or fails to complete the period of enrollment in an institution of higher education or school-to-work program for which the Corporation has disbursed all or part of that individual's education award?

(a) (1) An institution of higher education or school-to-work program that receives a disbursement of education award funds from the Corporation must have in effect a fair and equitable refund policy that includes procedures for providing a refund to the Corporation if an individual for whom the Corporation has disbursed education award funds withdraws or otherwise fails to complete the period of enrollment at that institution or program for which the assistance was provided.

(2) (i) For purposes of this section, an institution of higher education's refund policy is deemed "fair and equitable" if it is consistent with the requirements of paragraphs (b) and (c) of section 484B of the Higher Education Act of 1965, as amended.

(ii) For the purposes of this section, a school-to-work program's refund policy is deemed "fair and equitable" if it complies with any standards that may be developed by the Departments of Education and Labor.

(b) The Corporation credits to the individual's education award allocation in the National Service Trust the amount of any refund received for that individual under paragraph (a) of this section.

§ 2528.60 What are the procedural requirements for using a Stafford loan forgiveness award to repay Stafford loans?

(a) In order to apply a Stafford loan forgiveness award to the repayment of a Stafford loan(s), a participant in an AmeriCorps Stafford Loan Forgiveness program must submit an application to the Corporation that—

(1) Identifies the holder or holders of the participant's Stafford loans as described in § 2527.10(b) of this chapter;

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(2) Indicates the amounts of outstanding principal and the rates of interest on those loans;

(3) Indicates, where appropriate, to which of the loans the individual would prefer to apply the Stafford loan forgiveness award;

(4) If the participant serves two terms of service in a Stafford Loan Forgiveness program, indicates whether the participant wishes to aggregate the Stafford loan forgiveness awards pursuant to § 2527.10(e) of this chapter; and

(5) Contains whatever other information the Corporation may require.

(b) When a participant receives a Stafford loan forgiveness award, the Corporation will notify each holder of a Stafford loan identified in the participant's application of the portion of the loan that the Corporation will repay and will identify any information or documentation that the holder must provide to the Corporation.

(c) When the Corporation receives all required information from the holder of the loan(s) pursuant to paragraph (b) of this section, the Corporation will pay the holder(s) an amount determined according to § 2527.10 of this chapter and will notify the participant of the payment.

(d) The Corporation may establish procedures to aggregate payments to holders of Stafford loans for more than one individual.

PART 2529—FORBEARANCE AND INTEREST PAYMENT PROCEDURES

Sec.

2529.10 What are the procedural requirements for obtaining forbearance in the repayment of a qualified student loan during an individual's term of service in an approved AmeriCorps position?

2529.20 What are the procedural requirements for using National Service Trust funds to pay interest that accrues on a qualified student loan for which an individual has obtained forbearance?

2529.30 What additional student loan forbearance benefits are available for VISTA volunteers?

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